



California Wind Energy Association

California Energy Commission

DOCKETED
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TN # 66933

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August 24, 2012

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 12-EPIC-01
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Electric Program Investment Charge: Comments on the California Energy Commission's First Triennial Investment Plan

The California Wind Energy Association ("CalWEA") appreciates the opportunity to provide comments on the Energy Commission's First Triennial Electric Program Investment Charge ("EPIC") Investment Plan ("Plan"). The portion of the EPIC Program administered by the Energy Commission will provide funding for applied research and development, technology demonstration and deployment, and market facilitation for clean energy technologies and approaches for the benefit of the ratepayers of the state's major investor-owned utilities.

CalWEA offers comments in response to some of the questions discussed in the breakout sessions during the workshop held on August 2, 2012:

What are the major barriers to developing and commercializing clean energy technologies?

What specific initiatives are recommended to advance innovative energy technologies that benefit ratepayers?

Prioritize initiatives and identify the benefits that should be anticipated and measured.

CalWEA wishes to call attention to the importance of conducting siting-related environmental research related to wind and other renewable energy projects. It is widely appreciated that the difficulty of permitting projects in California was one of the major reasons why the 2010 RPS goals were not met on time (second only to lack of transmission infrastructure), and why out-of-state projects became increasingly of interest to utilities seeking to meet their RPS goals. A large part of the explanation for the cost and controversy surrounding project siting is a lack of accepted information relating to the effects of renewable energy projects on biological resources. The difficulty and conflict surrounding project siting in California has led to the ambitious state-federal effort to establish a Desert Renewable Energy Conservation Plan (DRECP), which itself will require many information gaps to be addressed for adaptive management purposes as experience with

development in the desert unfolds. These needs will only become more pressing as California seeks to dramatically ramp-up renewable energy production in order to achieve its Renewables Portfolio Standard and AB 32 greenhouse-gas reduction goals.

The EPIC Plan should seek to address this information void. While there are many very worthy siting-related research needs, we will highlight one area where research is particularly important and urgent for wind energy (and solar power tower) development in California -- that related to permitting under the Bald and Golden Eagle Protection Act (BGEPA).

Needed BGEPA-Related Research

In 2009, the U.S. Fish and Wildlife Service (FWS) adopted a new rule allowing clean energy developers to apply for incidental take permits for Golden Eagles by submitting Eagle Conservation Plans. The Bureau of Land Management (BLM) requires the FWS to confirm its acceptance of an Avian Protection Plan before a wind energy project can obtain a Record of Decision. To date, the FWS has not issued any take permits, and the impasse has interfered with development on many wind energy projects on public lands throughout the West – including numerous projects in California – resulting in additional and costly open-ended requests for information.

Non-issuance of incidental take permits is not only impeding completion of the DRECP, but could result in curtailment of about 4,000 MW of operating wind projects and over 2,000 MW of new projects now in planning or construction. Thousands of jobs are associated with these projects.

FWS has been slow to approve Eagle Conservation and Avian Protection Plans in part because the take permit process is new. Clear procedural steps and examples of acceptable plans and applications for take permits are lacking, and there is only one accepted mitigation method, power pole retrofitting, which itself faces implementation challenges. The following are just some of the data and knowledge gaps with respect to California golden eagle populations:

- Current population status of golden eagles in California
- Condition of golden eagle populations in California
- Population viability analysis to understand level of impacts populations can withstand
- Statistically robust monitoring protocol for eagle nest surveys
- Tested wind-eagle predictive risk models
- Behavioral eagle studies to understand avoidance behaviors
- Tested and proven strategies to reduce risks, including facility siting and micro-siting, structural features, operational management, and adaptive management strategies
- Effectiveness of impact offset measures
- Direct and indirect threats to eagles and associated mitigation measures

Funding the entire research agenda would require several million dollars.

Benefits to Ratepayers

Wind generation has been, and continues to be, a least-cost source of delivered Renewables Portfolio Standard (RPS) power, according to statistics recently compiled by California's Public Utilities Commission. Since 2002, wind capacity in California has more than doubled and has

accounted for over 80% of new renewable energy capacity built to meet the RPS, through 2011. Technology advancements continue to lower the cost of wind generation.

California wind energy developers typically spend 1-3 years and at least \$2 million in environmental due diligence (10-15 percent of total development capital at risk). These costs and timelines have been exacerbated by developers' inability to obtain eagle take permits due to a lack of information on eagles. In addressing this critical knowledge gap that is substantially hindering the permitting process for numerous clean energy projects in California, siting-related environmental research will directly benefit California ratepayers by facilitating, and thus lowering the cost of, the clean energy development process. The research will facilitate project development both by directing developers to sites with lower risk of Golden Eagle impacts and by providing FWS and other agencies with data needed to facilitate take permits where risks cannot be entirely avoided. In addition to reduced high permitting costs, which are ultimately passed on to ratepayers in the form of higher energy costs, ratepayers will also benefit from increased competition for available power purchase contracts, also leading to lower energy prices.

CalWEA appreciates this opportunity to provide input on these issues.

Sincerely,

A handwritten signature in black ink that reads "Nancy Rader". The signature is fluid and cursive, with the first name "Nancy" being larger and more prominent than the last name "Rader".

Nancy Rader
Executive Director

cc: Pamela Doughman (by email: Pamela.doughman@energy.ca.gov)
Erik Stokes (by email: erik.stokes@energy.ca.gov)